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"EMPLOYEE RETENTION MANAGEMENT PRACTICES IN COMMERCIAL BANKS- A COMPARATIVE STUDY OF SELECTED BANKS IN DAKSHINA KANNADA AND UDUPI DISTRICTS"

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INTRODUCTION

Around the world, finance is an essential common thread which brings many sectors together, and it plays a significant role as a catalyst for the economic development of the country. Thus, Banking is considered the backbone in channelizing the resources to the needy sectors for desired growth. The success story of Indian Banking industry is quite exciting and fascinating both in terms of quantitative and qualitative aspects.

The success of any organization lies on the availability and effective utilization of human resources, and it is more so with service organizations like banks. Today, Indian banks are operating in a liberalized environment where little product, and price differentiation exists. Therefore, to sustain and grow further in the fierce competitive sphere, banks are necessitated to focus attention on Human Assets since the delivery of service is only the differentiating factor which crucially depends on the attitude and efficiency of the staff interacting with the customers. In the above backdrop, human resources have attained utmost importance, and banks have been evolving appropriate strategies to attract, manage, develop, and retain these assets to meet the emerging challenges.

Employees have been essential resources for any organization. Based on their critical character, they can be termed as the life-blood of an organization. Today's technology-driven business also has not reduced the value of employees in an organization because the technology requires human resources. To cope with the changes, the organizations must face challenges and competition encountered from the environment. One of the most challenging issues at present is managing employee retention. Managing employee retention has become one of the most important strategic objectives of organizations today, and its importance will be even more significant in the future. From every viewpoint, retaining employees is essential and is often regarded as a critical strategy in maintaining organizational growth, efficiency, employee development and competitive advantage — the concept of employee retention developed in response to increased employee turnover.

Today employees are increasingly in a "jumping ship" for better job opportunities elsewhere. If a competent workforce is in place, an organization should seek to keep it, rather than to replace it. The concept of 'Retention' is always in the limelight, and it has captured the attention of the business, financial, and executive community. It is a critical and strategic issue that now commands the attention it deserves. In many organizations,

executives are creating integrated retention policies using internal and external data to shape focused retention solutions (Steel, Griffeth, and Hom, 2002)[1]. Thus employers are desperate for retention remedies, and consultants are eager to offer solutions.

India is the 9th largest economy in the world with a significant contribution from the service sector. Service sector plays a vital role in the development of any country, as the world economy is moving more towards the service sector and the Indian economy is no exception. The service sector is once again expected to lead in GDP growth within segments like trade, hotels, transport, and communication, and it will repeat its excellent performance.

Every business sector, whether it is manufacturing or service sector goes through various changing phases. In recent times, managing retention is a constant challenge for the banking sector too. The awareness of the issue has heightened in the last decade, and from all indications, the problem will be more severe in the coming decades. Even in times of slow economic growth, most human resources (HR) executives find attracting and retaining employees, as a big problem. In essence, banks' retention strategy shifted from attracting fresh new talent to hiring valued employees in the face of a financial blow. In both situations, retention is a crucial strategy driven by top executives. Most organizations now view the issue of conservation and becoming an employer-of-choice as a strategic advantage. Although employee retention is always essential, the question becomes even more critical when the economy faces a temporary decline.

Such a change brings in its wake a host of problems and challenges for management. In addition to the need to match the competitor's performance results, banks have to put extra effort in training, retaining, and system improvement, overall working and more importantly ensure that such systems are responsive to the fast-shifting scenario because of technology up gradation and the opening of an additional delivery channel through the internet. In this context, the study of employee retention management assumes prominence more than ever before.

Most of the organizations are concerned with retaining the high performers, those who possess essential skill and knowledge needed to run the organization, and those who are difficult to be replaced. Greenberg and Sweeney (2010)[2] also emphasised that organizations should make efforts to keep their best talent despite difficult times. They further argue that it is the top performers that distinguish one business from another.

Cardy and Lengnick-Hall (2011)[3] also advocated that if best workers are not retained, an organization can be negatively affected from the operational to the strategic level and that human capital remains one of the few resources that can provide a sustainable competitive advantage. They, however, suggested that employees should be classified as platinum, gold, iron, and lead and those organizations should put forth more effort to retain platinum employees as compared to the lead employees.

However, the issue which is of relevance here is that certain factors of employee's exit may be controlled by the management while there are other factors on which the administration has little or no bearing. For example, an employee may leave his job because of the family situation, job offers, and the pursuit of new opportunities. Cardy and Lengnick-Hall (2011)[4] further emphasized that efforts to maximize retention are consistent with a concern for employees and a desire to make the organizational environment as "sticky" as possible to keep employees. Efforts to minimize turnover, on the other hand, can be seen as motivated to reduce or avoid a cost

REVIEW OF LITERATURE

In the present study, 137 articles were reviewed, out of which 68 studies were related to foreign countries and 69 studies were related to India. Some of the important studies related to employee retention management practices in banks and other service sector were briefly reviewed.

RESEARCH GAP

An investigation into the review of the literature revealed that sufficient number of studies have been conducted with regard to employee turnover and retention practices in IT sector and related service sector. A few studies have been carried out relating to employee retention management practices in Indian commercial banks in different regions of the country except in Dakshina Kannada and Udupi Districts of the Karnataka state. There is a shortage of literature regarding employee turnover and retention management practices followed by Indian commercial banks in a specific region. To bridge this gap the present study on "Employee Retention Management Practices in commercial Banks-A comparative study of selected banks in Dakshina Kannada and Udupi Districts" is undertaken.

STATEMENT OF THE PROBLEM

Employee retention is one of the big challenges for organisations. In order to attain corporate goals organisations have to retain their key employees. The problem of labour turnover which was reported in the banking industry recently has led to alarming rates in India. Reasons for increased employee turnover, that are found through the research are, lack of motivating and challenging work environment, poaching of talented employees by other banks for higher salary and incentives, increased work pressure, job stress and strain and failure of banks to recruit the right person for the right job, which are causing threat for the banking sector in India. A literature review of the employee retention management practices in different service sectors in India and abroad, especially in the banking industry reveals that the existing Human Resource policies and practices are ineffective in retaining the employees. Banks which are placed in a highly competitive environment cannot survive unless greater importance is given for the retention of talented employees and there is no recognised research carried out on employee retention management practices in banks in Dakshina Kannada and Udupi Districts.

OBJECTIVES OF THE STUDY

The present study is carried out with the following objectives:

1. To identify employee retention management practices in the private sector and public sector banks in India.(Fulfilled in Chapter II)
2. To identify the employee retention management practices in Corporation Bank, a public sector bank and Karnataka Bank Ltd, a private sector bank (Fulfilled in Chapter III)
3. To make a comparative study of the satisfaction level of employees regarding the retention management practices in Corporation Bank and Karnataka Bank Ltd (Fulfilled in Chapter IV).
4. To suggest measures to improve and strengthen employee retention management practices in banks. (Fulfilled in Chapter V).

HYPOTHESES OF THE STUDY

The hypotheses of this study are formed on the basis of the objectives of the study and review of the literature.

Demographic Factors

Demographic factors are reviewed in employee retention studies as they have a strong influence on turnover intention. Walsh and Bartikowski (2013)[4] suggested that organizational leaders need to acknowledge situational factors, such as employee demographics that affect turnover intention within the organization**.** Lambert et al. (2012)[5] found demographic factors (length of tenure, age, and income) as potential turnover antecedents. Likewise, job embeddedness theory offers support for linking demographic factors and employee retention **(**Mitchell, Holtom, Lee, Sablynski, and Erez, 2001)[6]. The theory of job embeddedness is also known as the theory of employee retention. Employees are more embedded when they feel that demographic factors are favourable and they are getting fair outcomes. Consequently, embedded employees are more likely to show positive job outcomes, such as retention and performance (Bibi, Pangil, and Johanim, 2016)[7].

Gender and Employee Retention

Several studies have identified the role that gender plays in understanding voluntary turnover intentions of employees. Doran et.al (1991)[8] had mentioned in their analysis that females in comparison to males exhibit higher intentions to leave the company. This is because a high percentage of women see their income as a secondary source in comparison to their spouse's income. Thus, retention policies framed do not have much impact on women. In contrast to this Igbaria and Chidambaram (1997)[9] argued that women react much more sharply to retention efforts by the companies. On the basis of these assumptions the following first hypothesis has been formulated.

H_1 : There is a significant relationship between gender and employee retention.

Organisational Factors and Employee Retention

Organisational factors are divided into 3 major components in this research which are as follows:

Benefits and compensation: It includes selection process, training and development, salary, dearness allowance, house rent allowance travelling allowance, medical insurance,maternity and paternity benefits, exgratia, employee stock option and paid holidays.

Working environment: It includes effective communication, essential physical facilities, motivation, employee engagement, performance appraisal, exit interview, mentoring and coaching, recreational activities and protection from sexual harassment.

Career development opportunities: It includes promotions, skill development programmes, financial assistance for higher education and career development discussions with managers. Majority of the researches proved that the above said components have to be considered to retain the employees in an organisation. The researches have also proved that the dissatisfaction regarding the above-identified components is the major cause for employee attrition. On this basis, the following two hypotheses are formulated.

H_2 : There is a significant relationship between organisational factors and employee retention.

H_3: There is a significant and positive relationship between career development opportunities and employee retention.

Economic Environment and Employee Retention

In a competitive environment, the retention of employees is very difficult. Top management and HR department put in an extensive time, financial resources and effort in order to find out the way to retain their employees and gain competitive advantage (Bartlett and Ghoshal, 2013)[10]. In this study, under the economic environment influencing employee retention in banks, we identified job opportunity in foreign banks in India, other banks practising talent poaching, increasing competition for bank jobs, recession, information technology and liberalisation in the banking sector as major influencing factors. Today, changes in technology, global economy, trade agreements, and the like are directly affecting employee - employer relationships, thus leading to high employee turnover and thereby affecting employee retention in an organization. Based on this, the following two hypotheses have been formulated.

H_4: There is a significant relationship between the economic environment and employee retention.

H_5: There is a significant difference between the perceptions of employees of Corporation Bank and Karnataka Bank Ltd. regarding the poaching of talented employees by other banks.

Personal/Individual Factors and Employee Retention

In this research, personal/ individual factors were divided into two major components i.e., family and health. Components like family-friendly workplace, child care facility and responsibility towards family, health problems and stress were identified.

Dr.Thomas Lee, a business professor at the University of Washington, who has extensively researched on what he calls "the unfolding model of turnover", reported that people disengage and leave because of "personal shocks" such as marriage, pregnancy and health crisis. This reveals that the organisation has to consider these components to retain the employees. On this basis, the following hypothesis has been framed.

H_6: There is a significant relationship between personal factors and employee retention.

RESEARCH METHODOLOGY

This study first makes a detailed review of the literature on employee retention management practices in commercial banks and related topics developed in India and abroad. The research study is partly exploratory and partly descriptive. The study is exploratory because the first broad objective of identifying the various factors contributing to the employee turnover/attrition in the public sector and private sector banks helps, in determining the need for employee retention management practices in the banks. The study is descriptive in the sense that it foresees on investigating the employee retention management practices of both the banks. The descriptive information thus obtained is utilized for deriving the perceptions of managers and the employees, about the effectiveness of employee retention management practices implemented in the banks.

Population and Sample Selection

The researcher has selected a sample of two banks, i.e., Corporation Bank a leading public sector bank and Karnataka Bank Ltd also a leading bank in the private sector, which are

operating in D.K and Udupi district. These are the two leading banks originated from Dakshina Kannada District.

Table 1.1 below shows the Taluk-wise and District-wise coverage of banks, branches. Dakshina Kannada has 5 Taluks, and Udupi has 3 Taluks. The head offices of both the banks are situated at Mangalore Taluk which has the highest number of branches (64) of chosen banks. Sullia and Belthangady have only 5 and six branches respectively. In Udupi district, Udupi Taluk has the highest number of branches. Karkala has only 11 branches.

A total number of branches of the Corporation Bank were 60, and that of Karnataka Bank Ltd was 105 in Dakshina Kannada and Udupi Districts during 2014-15. By using stratified random sampling method, 27 branches of Corporation Bank and 35 branches of Karnataka Bank Ltd were selected as sample branches which represent almost 37.57 percent of the total branches of CB and KBL from both the districts. The stratification was done according to the Taluks.

Table - 1.1: Taluk-wise And District-wise Coverage Of Bank Branches

Taluks	**Number of branches in the universe**		**Number of branches in the sample**		**Sample percentage to the total number in the universe**
Dakshina Kannada District	**CB**	**KBL**	**CB**	**KBL**	
Bantwal	8	5	3	3	46.15
Belthangady	2	4	2	2	66.6
Mangalore	21	43	7	10	26.56
Puttur	3	5	3	3	75.00
Sullia	2	3	2	3	100.00
Total	**36**	**60**	**17**	**21**	**39.58**
Udupi District					
Karkala	2	9	2	3	45.45
Kundapura	11	7	4	4	44.44
Udupi	11	29	4	7	27.50
Total	**24**	**45**	**10**	**14**	**34.78**
TOTAL(D.K+UDUPI)	**60**	**105**	**27**	**35**	**37.57**

Source: Survey data

For selecting the sample of respondents, a list of total number of employees working in different branches of selected banks in Dakshina Kannada and Udupi districts were obtained from the head offices of the selected commercial banks. The population and sample size of the respondents of the study are presented in Table 1.2. The sample size of

the respondents was determined by the researcher based on the formula given by Yamane (1967)[11]. The sample size was determined by the researcher at 0.05 level of precision by using Yamane formula which is shown below.

$$n = \frac{N}{1 + N(e)^2}$$

Where, 'n'= Sample size, 'N' = Population 'e' = the level of precision

Table 1.2: District and Taluk-Wise Coverage of Sample Bank Employees in the Survey

Districts	Location of the Bank	Corporation Bank	Karnataka Bank Ltd.	Total
Dakshina Kannada	Bantwal	7 (2.14)	16 (5.26)	23 (3.65)
	Belthangady	8 (2.45)	15 (4.93)	23 (3.65)
	Mangalore	218 (66.87)	153 (50.32)	371 (58.8)
	Puttur	9 (2.76)	13 (4.27)	22 (3.49)
	Sullia	5 (1.53)	9 (2.96)	14 (2.22)
Total		**247 (75.76)**	**206(67.76)**	**453(71.90)**
Udupi	Karkala	6 (1.84)	16(5.26)	22(3.49)
	Kundapura	29 (8.89)	7 (2.30)	37(5.87)
	Udupi	44 (13.49)	75 (24.67)	117 (18.57)
Total		79(24.23)	98(32.23)	177(28.09)
TOTAL (D.K + UDUPI)		**326 (100.0)**	**304 (100.0)**	**630 (100.0)**

Source: Survey Data

The above Table1.2 portrays the Taluk-wise coverage of bank employees in the 2 districts. Out of 1724 employees of Corporation Bank 326 (D.K. =247 and Udupi=79) employees were selected for the study. Out of 1218 employees of Karnataka Bank Ltd 304 (D.K=206 and Udupi=98) employees responses were collected. The majority (58.8%) of the employees were selected from Mangalore Taluk in D.K and 28.09 % of the employees were selected from Udupi Taluk, it is because the head offices of both the sample banks of the study are situated in Mangalore and the regional offices are situated at Udupi.

Sources of Data

The present research work is based on both primary and secondary data. The primary data was collected by conducting personal interviews with the employees of Corporation Bank and Karnataka Bank Ltd. with the help of questionnaire. The concept of employee retention management used in this study refers to the practices of employee retention management followed by the sample banks. It includes all practices and strategies used in

the sample banks to retain the employees. Since employee retention management is a subject that has an impact on every employee's work and personal life, multiple factors like organisational benefits, health, career development/ advancement opportunities were tested. As a critical part of the study, an extensive literature review followed by a discussion with the bank executives at the head offices helped in framing the questionnaire. To identify, understand and evaluate the employee retention management practices adopted by banks, the researcher has identified the 3 factors affecting employee attrition and retention in banks, namely organisational factors, external factors and personal/individual factors. The first part of the questionnaire gathers data on the demographic profile of the employees. The Second section was devoted to gathering the data on the perceptions of employees regarding the benefits and compensations provided by the banks and its impact on their work and life which is essential to remain in the job. These factors are likely to influence the degree of employee satisfaction on retention strategies adopted by the banks.

A pilot survey was conducted for finalising the questionnaire for the study. On the basis of the result of the pilot study, suitable modifications were made in the final questionnaire. Cronbach's Alpha Coefficient was used to test the accuracy and reliability of the questionnaire.

An extensive literature review was carried out and on the basis of it a total of 08 parameters were identified and 83 items related to those were generated through discussions with different categories of employees of selected banks. Participants responded using a 5 point Likert scale. The Cronbach's alpha values of all the dimensions and the total value of the test are presented in the below table 1.3. and 1.4 respectively.

Table – 1.3: Cronbach's Alpha Values of the Questionnaire

S.No	Dimension	No. of Items	Cronbach's Alpha value
1	Reasons for Joining the Bank	09	0.79
	Organisational Factors		
2	Benefits And Compensations	13	0.96
3	Working Environment	18	0.94
4	Career Development / Advancement Opportunities	06	0.79

	External Environment Factors		
5	Economic Environment	11	0.96
	Personal / Individual Factors		
6	Family	04	0.78
7	Health	05	0.82
	Reasons for attrition		
8	Reasons for attrition	17	0.92

Table- 1.4: Result of Cronbach's Alpha Coefficient Test

Cronbach's Alpha	N of Items
0.864	**83**

The value of Cronbach's Alpha Coefficient for the Questionnaire is 0.864 which was above 0.7, indicating a high level of consistency. The researcher has personally interviewed the employees in the banks and filled up the questionnaire. Prior appointments were fixed with the branch managers for conducting personal interviews with the respondents, with the help of structured questionnaire.

Secondary data was collected from various sources like Annual Reports of the sample banks,Statistical Tables Relating to Banks in India, Indian Banker's Association Bulletins, Reports of various Committees On Human Resource Management in banks and Report of the Committee On Capacity Building, Service Condition Book, State Level Bankers' Committee Report, RBI's Report on Trend and Progress in Banking, RBI Bulletins, RBI publications, District Census Handbook-Dakshina Kannada, District Census Handbook-Udupi, Books, Journals, Newspapers, Websites and Doctoral thesis data were incorporated wherever necessary to supplement the primary data.

Statistical Tools used for the Data Analysis

Data analysis means categorising, ordering and summarising of data in order to get answers to research questions (De Vos, AS, 2005)[12]. To analyse the data obtained through a questionnaire, the questions and the responses were entered into SPSS 22nd version. Cronbach's Alpha Coefficient, Pearson Chi-square test, Standard Deviation, Mean, Median, KMO and Bartlett's Test, Factor analysis were used to compare the retention management practices of sample banks. Analysis of Variance (ANOVA) test and Mann

Whitney test have been employed in this research for testing of the hypothesis in order to obtain accurate results.

Period of Study

The primary data related to the practice of employee retention management in both Karnataka Bank Ltd and Corporation Bank was collected between April 2015 and August 2016. The secondary data used for the present research work was collected from 2008 to 2017.

RESEARCH QUESTIONS

The quantitative –empirical study intends to answer the following research questions:

RQ-1: What are the major problems faced by commercial banks in retaining the employees?

RQ-2: What are the strategies practised by the commercial banks to retain the employees?

RQ-3: What are the causes and consequences of retention/attrition perceived and reported by the respondents?

RQ-4: What suggestions do the findings offer to commercial banks to effectively manage employee retention?

SIGNIFICANCE OF THE STUDY

The significance of the study lies in exploring the effectiveness of employee retention management practices in recent years in the banking sector. The findings of the research study added to the knowledge and understanding of the subject of research and employee retention management practices among banks. This study is significant due to the following reasons:

- It generates greater awareness among the banks regarding the need for employee retention management practices.
- It supports in designing and developing new interventions that will increase employee retention in commercial banks in the study regions and also in India.
- It analyses the relationship between employees and employer in banks.
- It calls for reviewing the human resource policies and practices relating to employee retention in banks.

The study gives a true picture of the retention management practices followed in commercial banks, merits and shortcomings of those practices, key drivers that have the most important impact upon retention and offers suggestions in the form of possible approaches for banks in acquiring and retaining talent, which is the most critical challenge faced by the banking industry at present. This study is an attempt to support the banks in concentrating on the issues of minimising employee turnover and maximising employee retention through various measures.

This type of study is not carried out previously in Dakshina Kannada and Udupi Districts. Therefore, there is a great need to have a glance at employee retention management practices in commercial banks in India. In this frame of reference, the present study is significant and relevant.

LIMITATIONS OF THE STUDY

The present study suffers from the following limitations:

- The present study is restricted to only two banks i.e., Corporation Bank and Karnataka bank Ltd operating in Dakshina Kannada and Udupi districts even though a large number of commercial banks are operating in the district.Thus perceptions and opinions of the employees of banks, working in other parts of the state, country and abroad may differ.
- The study covers only a period of six years from the year 2007-08 to 2012-13. That is because 2007-08 was the period when the recession and financial crisis occurred in India. This has influenced very much on the working conditions of the banks in India.
- The information and the statistical data relating to the rate of attrition and retention is available only in the Human Resource and Industrial Relations department at the Head offices of both the banks and as it is highly confidential the officers of the HR department haven't disclosed the true information. The employees working in different departments of the head offices and employees at the branches and the branch managers' were unaware of the data. Hence, the researcher was unable to collect the information. Thus the researcher has considered only the present practices of employee retention in both the banks and the opinions of employees on those practices.
- The branch managers were reluctant to respond to the queries because of their busy schedule.

- It was difficult to assure that the respondents have honestly shared the information and given accurate data. Data analysis and interpretation is done based on the information provided by the respondents which may be biased.
- In spite of the above limitations, an earnest attempt has been made to arrive at meaningful conclusions by analysing and interpreting the data in a tactful way and to maintain the quality of research work.

CHAPTER SCHEME

The present research study on the title "Employee Retention Management Practices in Commercial Banks- A comparative study of selected banks in Dakshina Kannada and Udupi Districts" is coordinated in FIVE chapters as presented below:

Chapter I: Introduction

This chapter is an introductory chapter, which includes an introduction to the study, statement of the research problem, research questions, objectives of the study, hypothesis of the study, research methodology, statistical tools used for the data analysis, scope and significance of the study, limitations of the study and chapter scheme of the thesis.

Chapter II: Review of Literature

This chapter presents a detailed literature review of previous research studies related to employee retention management practices in commercial banks and other service sectors in India and abroad. This chapter also helps in identifying the research gap and also for formulating objectives of the study and hypotheses of the study.

Chapter III: Employee Retention Management Practices in Commercial Banks-A Conceptual Framework

This chapter is a theoretical background which covers the conceptual framework relating to the genesis and growth of the employee retention management practices and it includes a profile of Corporation Bank and Karnataka Bank Ltd. This chapter has also identified the factors responsible for the employee attrition in the public sector and private sector banks and also assessed the employee retention management practices in the Indian banking sector and its importance in Karnataka Bank Ltd, a private sector bank and Corporation Bank, a public sector bank. This chapter also presents the information about profile of the study districts. This chapter serves as a background for analysis of data.

Chapter IV: Employee Retention Management Practices in Commercial Banks- A Comparative Study: Analysis of the Data

This chapter deals with the comparative analysis of primary data in order to know the effectiveness of employee retention management practices in Corporation Bank and Karnataka Bank Ltd. This chapter contains an analysis of demographic profile and opinions of employees on the employee retention management practices in banks. This chapter also deals with the testing of the hypotheses of the research study.

Chapter V: Summary of Findings, Suggestions and Conclusion

This chapter presents a brief summary of the findings, suggestions to improve the employee retention management practices followed by the banks and the directions for further research based on the study are provided.

EMPLOYEE RETENTION MANAGEMENT PRACTICES IN COMMERCIAL BANKS - A CONCEPTUAL FRAMEWORK

PRESENT SCENARIO OF INDIAN COMMERCIAL BANKS

The banking system is an important constituent of the overall financial system. Commercial Banks in India continue to remain in the forefront of the financial system. Indian banking sector has achieved substantial progress on many fronts. By transforming class- banking to mass–banking, from wholesale banking to retail banking and from macro- banking to micro banking, the Indian banking system has become a potent tool of socio-economic development of the economy. (Saveeta Saggar, 2005)[13].

With the opening up of the Indian economy to foreign players, the private sector banks and the public sector banks have started their shops with a modern layout and a high-tech infrastructure, thus increasing the competition. The Indian commercial banks have started renovating premises and introducing automation. A large number of branches have been computerised and core banking solutions were adopted. There is a perceptible improvement in the quality of customer service due to computerised operations. Much of the senior staff has been retired under voluntary retirement scheme. The Recruitment policy has been modified to make lateral and contract appointments of well-qualified persons, as MNC's do. Automated teller machines have been installed at a number of urban and metropolitan branches and in many cases, ATM's have been installed in market places for the convenience of customers. Product innovation has started in a big way. Core

banking has facilitated "anywhere banking" and Internet banking, telebanking etc. (Sharma and Gupta, 2007)[14]

MAJOR HUMAN RESOURCE CHALLENGES FACED BY THE PUBLIC AND PRIVATE SECTOR BANKS IN INDIA

The quality of practices and processes of the human resource management function impacts on the success of retention management in banks. The complexities of modern banking and the dependence on Information Technology makes it more important as to why the banks should have requisite manpower with the right amount of knowledge and experience at appropriate places. Many of the present day's problems in Indian banks like, weak appraisal standards, not being able to pick up the early warning signals in problem accounts which lead to fraudulent transactions or accounts becoming Non-Performing Assets, recurring customer grievances, etc. can be ascribed to skill gaps in the manpower of the banks. Near vacuum in the senior management positions over the next few years, lack of expertise in critical areas like IT, risk management, credit appraisal and treasury operations, absence of succession planning for middle and senior management positions, attracting, retaining and nurturing fresh talent, ad hoc responses to capacity building and poor performance management system are some of the major HR challenges faced by the public sector banks. The proposal of universal and differentiated bank licenses being available on tap will make it tougher for public sector banks to retain whatever skilled manpower is available to them. In respect of private sector banks, the problem in many cases relates to the work culture focussing unduly on achieving unrealistic targets by all means. This implies certain aversion towards employment in such banks and could have serious reputation risk implications for them**.** (Harun Khan 2014)[15]

On account of the loss of experienced hands in their day to day operations, there would be a virtual vacuum at the middle and senior level for some time to come. The absence of middle management could lead to adverse impact on banks' decision making process as this segment of officers played a critical role in translating the top management's strategy into workable action plans. Some of the major banks are also suffering on account of prolonged leadership vacuums at the top. All banks, including those in the private sector, are witnessing high attrition rates, giving rise to resource gaps. The problem is set to get accentuated further once the banks that have been newly licensed/ likely to be licensed,

start hiring. Therefore, bridging resource gaps and managing employee turnover are major challenges that banks need to be prepared to address.

The banks need to continuously enhance the skill levels of their employees so as to remain viable and competitive and to take advantage of new opportunities. The banking personnel, across the cadres, need to be suitably trained to acquire necessary skill sets to perform their jobs more efficiently. The biggest challenge is to build capacity at a rate which matches the loss of existing talent and skills due to retirement, poaching and resignations. The training initiatives must ensure that the available talent pool in the banks is able to always keep pace with the fast changing ways in which banking is conducted. Of course, in these challenges also lie an inherent opportunity for banks to redraw their organisational profile and to create HR systems and processes best suited to the needs of the future (Mudra 2015)[16].

Contemporary HR literature reveals that certain human resource management policies and practices do distinguish many high performing companies. These practices are called high-performance work systems. They promote organisational effectiveness. There is a need to enhance professionalism in HR management to keep pace with the challenges in the emerging environment**.** (Gopalakrishna, 2014)[17]

EMPLOYEE RETENTION MANAGEMENT PRACTICES IN COMMERCIAL BANKS

Retention is important because without it organisations lose tacit knowledge, corporate memory, and a lot of investment in recruitment, training, and development. Banking sector plays an important role in the economy and has transformed rapidly in the last ten years, shifting from transactional to an increasingly aggressive environment in which competition for revenue is of top priority. Intelligent employers always realise the importance of retaining the best talent. The banks will no doubt create a lot of employment opportunities for youth but also have raised the problem of employees leaving the industry. Employees, who have been working for many years with the banks, are dissatisfied with the industry and have often, resisted performing up to the new expectations. The main causes of increasing complexity in the banks are identified as, loss of talented employees due to retirement (Gopalakrishna, 2014)[18] and attraction towards other banks for various reasons like a high salary, benefits, career development and change in the working environment

and increasing the size of the organisation. To energise the workforce for the challenges ahead, banking industry is in the spotlight to find solutions for employee turnover. Talented employees are required to manage such complex work of the banks.

Human resource management is concerned with managing people in the organisation. This ensures right people at the right place at right time. The individuals who work in the organisation play a crucial role in operating and controlling activities. They are the destiny of the organisation.

Employee turnover is the major problem for most organisations. Factors like-compensation and benefits, quality of work life, relationship with supervisors or peers, after retirement benefit plan, job performance, etc. play a significant role in employee turnover**.** Management should identify these factors to make them positive or favourable and should apply appropriate strategies to retain employees. Hiring practices, compensation and benefits, job security, participative management, training and development, growth opportunities, etc. are the main components of HR practices which help to retention of the employees. The organisation should recognize these components and should apply suitable strategies to retain their key employees. (Sherjung Khadka, 2011)[19]

Public sector banks are planning a comprehensive talent management, leadership development and succession planning process under their business process re-engineering exercise as major proportion of the public sector bank's senior team will be retiring by 2020, taking with them a vast amount of experience and expertise. This makes it imperative to identify and groom successors and have proper leadership development strategies and succession planning for all strategic and key roles in the bank. There is an opportunity to not only attract quality talent but also improve the quality and retention over time. The 'high potential' employees identified for this process will be groomed by way of a personal development plan that includes external/internal learning, stretch assignments, rotation, coaching and mentoring, among others. This exercise will enable the identified 'high potential' employees to take up strategic and key roles at a higher level at the time of requirement. Leadership workshops will be conducted for such executives in senior management. Employees are also encouraged to self-nominate themselves for the courses available in the bank to fulfil their training needs in line with their current job profile and also in other areas of their interest for self-development.

Meaning and Definition of Employee Retention

Employee Retention refers to the efforts of the managers toward the retention of best and bright employees in the organisation for an extended period. A good retention strategy can ensure that the recruiting and training costs are less, performance and productivity are stable and employee motivation and morale are high. It is thus essential for the managers to develop effective retention strategies to keep the employee attrition rate under control and to avoid the cost associated with high attrition. Managers' perceptions of the meaning of employee retention can vary from "Reducing the employee turnover figure to an acceptable level" to the abstract as "It's about the culture and values." (J. Leslie McKeown, 2002)[20]

According to Cascio (2003)[21], employee retention is " initiatives taken by management to keep employees from leaving the organisation, such as rewarding employees for performing their jobs effectively, ensuring harmonious working relations between employees and managers, and maintaining a safe, healthy work environment". As Y.L.Giri, (2008)[22] sees, "Employee retention is a process in which the employees are encouraged to remain with the organisation for the maximum period or until the completion of the project"

Employee retention pertains to policies and practices of the organization that forbid valuable staff from leaving. Employing talented individuals for the job is crucial for an employer and retention is significantly greater than employing. In reality, it is underestimated by many employers for the costs related to a turnover of key employees (Ahlrichs, 2000)[23]

From the above definitions and meaning discussed it makes clear that the organisations have to create an environment where employees love to work. The effectiveness of the employee retention strategies will decide whether the employees will stay for a longer period or not. It is the responsibility of the organisations to establish an effective employee retention strategy for the survival of the organisation in a competitive and developing economy like India.

NEED FOR EMPLOYEE RETENTION MANAGEMENT IN COMMERCIAL BANKS: SOME OBSERVATIONS

The following are some of the observations made by the senior officials in the banking sector regarding the need for effective employee retention management practices.

a) Sri. D.N. Prakash, The president of Corporation Bank Officers' organisation, said that Banks put out remarkable recruitment figures in their annual reports. But actually, the attrition rates are increasing. He said that is shocking but true, in some cases, almost half of those who joined have resigned within a year. The clerical cadre has been witnessing high attrition, especially in banks with a regional focus. Bank unions say that the attrition rate is almost 30 percent in both the officer and clerical cadres. The attrition level in the clerical cadre was as high as 45 percent in a bank at a point of time. As stated by D.N.Prakash, some banks have branches only in particular geographical locations, unlike big public sector banks such as State Bank of India that have branches across the country. Some of the South-based banks have less presence in the northern region, but most of the new recruits in these banks are from the North. The banks find it difficult to place the new employees in the states of their choice. This is one of the reasons why most of them don't stick on for more than a year

b) Sri. P. R. Karanth, The Joint Secretary of AIBEA, stated that someone who joins bank 'A' in the clerical cadre usually gets a good offer from bank 'B' in the officers' cadre after two-three years. Even if the banks impose any bond during their appointment, they are ready to pay and leave.

c) Sri. K.S. Bhat, Secretary of the Syndicate Bank Staff Association, said that weightage should be given to those who work in bank 'A' while filling vacancies in the officers' cadre. He said that a person from clerical cadre had passed IBPS with 167 marks in his bank, but the cut-off for officers' cadre was 168 marks. But he got an officers job in bank 'B', where he matched the cut-off marks. Some relaxation for the existing staff would have helped his bank to retain him. In this process, the bank lost a clerical staff and a person with two years' experience. Bhat said that in some States a lower division clerk in a government office gets a better salary than a bank clerk. Compared to banks, the workload and risks in some government offices are lower. (A.J.Vinayak, L.N Revathy, 2012)[24]

d) Sri. KR Kamath, PNB chairman and managing director said: "In case of new recruits at the officers' level, the bank spends a lot of money on training and grooming them. But when these officers leave the bank prematurely without even serving a minimum period and look for greener pastures, the entire cost of training goes in vain. The service bond system is a way to partially recover the sum." (Atmadip Ray and Sutanuka Ghosaln, 2009)[25]

e) K.S. Bhat, Secretary of the Syndicate Bank Staff Association said that Syndicate Bank itself is still witnessing attrition from the cadres. Only half of the selected candidates are reporting for duty. The problem of attrition can be attributed to the lack of scientific HR policy. The Syndicate Bank Staff Association has been demanding a paradigm shift in the HR policy of the bank. Bhat suggested campus recruitment as an immediate remedy. As a one-time measure, it could help solve the manpower shortage in the bank, which is one reason for the runaway growth in bad loans. (Vinson Kurian, 2015)[26]

f) Addressing a seminar organised by the SEBI-managed National Institute for Securities Markets, at its upcoming campus at Patal Ganga, Mr. Gandhi said "he foresees the demand for high specialisation rising in the banking space". With the banking sector being thrown open to niche as well as more private players, RBI deputy governor Mr. R Gandhi warned the industry to brace for higher attrition, being already faced by highly unionized public sector lenders. "We've been telling banks to expect people to hop from one institution to another. The old method of developing a cadre and expecting them to continue with you for life is going to change. "Attrition is going to be the norm," Gandhi said. "It is going to be expertise-driven and niche. When expertise, knowledge and specialisation are in high demand, people will be hopping jobs," he said. (The Hindu business line,2015)[27]

g) Sri. K.C Chakrabarty, The Reserve Bank of India (RBI) Deputy Governor, said at Bancon (Bankers' Conference) that the banking system may increasingly face the problem of staff-attrition in the period ahead and banks will have to gear up to tackle the issue. We are going to see a rise in the attrition rate. There is a need for adequate focus on HR management... Banks need to take adequate care of their manpower. (Business Standard, 2013) [28]

h) Mr. Nicolas Dumoulin Michael Page India Regional Director told that they expect 50 percent higher attrition level compared to 2014 across all revenue-generating

functions in banking. While he said for support functions that the attrition levels are likely to be higher by 25 percent compared to 2014.

i) Sri. Sunil Goel, Global Hunt Managing Director said that, "Large pool of jobs is expected to be created wherein the maximum number of the jobs will include the bottom of the pyramid, but existing banking and financial professionals will get recruited by the new players so the attrition will get added another 15-20 percent for current companies." "Though all the existing players will try to retain talent by giving large portfolio and decent compensation, the boom in the industry will bring the attrition higher than ongoing rate", he opined. (Business today, 2015)[29]

j) The problem of attrition seems to be very high in public sector banks. On an average 1000 people leave the public sector banks in a year, said A.K Khandelwal, chairman and managing director, Bank of Baroda. He added that each large public sector banks may be losing 100-200 people every year, though the gravity of the situation is not large. He was speaking in an Indian Banks Association human resource management conference.

k) M.B.N Rao, CMD, Canara Bank in his inaugural address said that attrition and poaching have made things difficult for PSBs, whose ability to hire fresh talent is constrained by structured compensation packages with limited flexibility. Banks should identify from within and create a special pool of people based on competencies for handling new and emerging business opportunities," he said. (Banking Bureau**,** 2007)[30]

l) The staff attrition rate is something that is worrying us as well and it ranges up to around 20 percent," Sri. Aditya Puri, Managing Director and Chief Executive at the country's second-largest private sector lender HDFC, told the shareholders at its annual general meeting. (The Times Of India, 2013)[31].

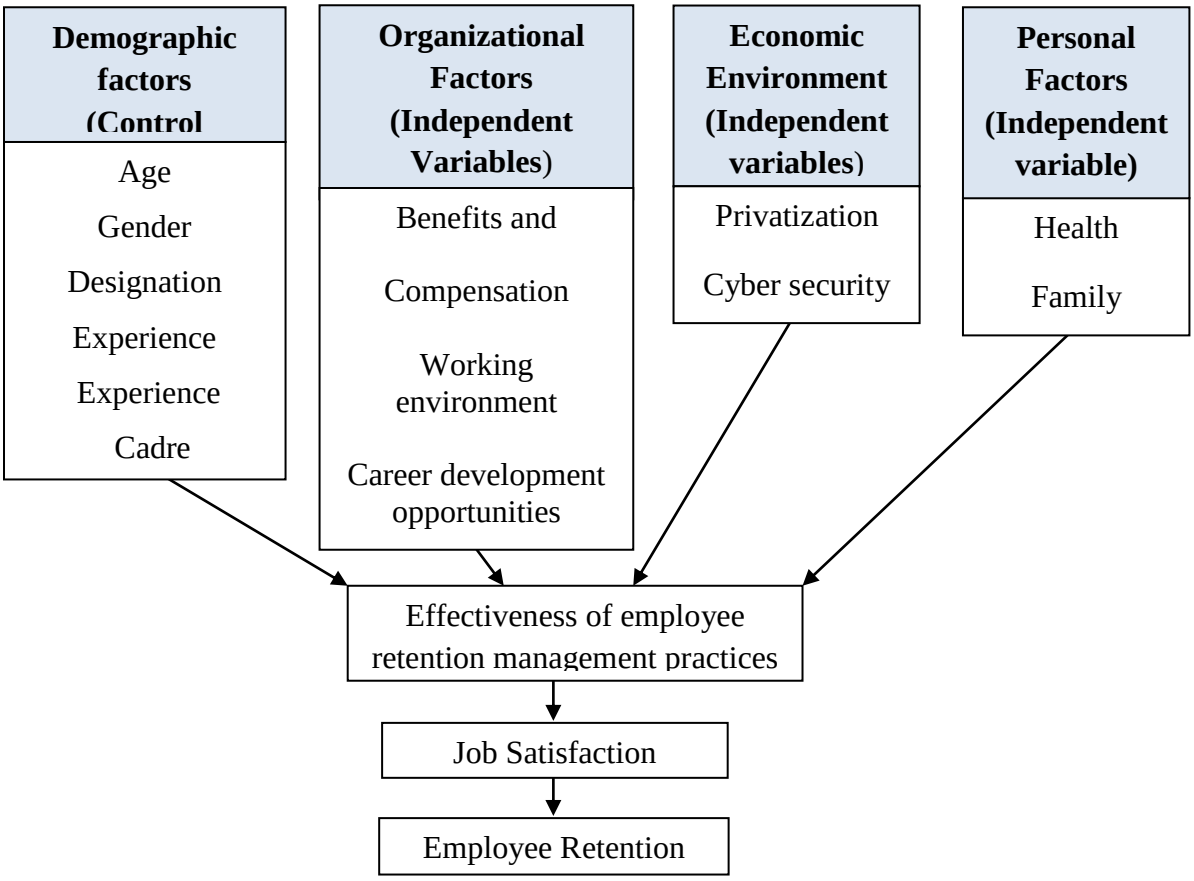
Research Model

In the light of the above background and on the basis of various reviews of literature it can be identified that factors like age, experience, gender, wage and salary, employee benefits, job environment, workplace flexibility, training and development, nature of job, participative management, career development opportunity, leadership support, economic environment, health and family etc. play an important role to increase the employee retention rate. Management should identify these factors to make them positive or

favourable and should apply appropriate strategies to increase job satisfaction and retain key employees.

Identification of the Research variables is first step in quantitative research. Thus the dependent variable, independent variables and control variables of the present study were identified and on that basis the following research model has been developed to study the relationship between (a) demographic factors (b) organisational factors, (c) economic factors, (d) personal factors and employee decision to stay or quit the job.

Figure - 1.1: Research Model



Source: Developed by the Researcher

GENERAL FINDINGS OF THE STUDY

The following are the general findings made on the basis of observations and reviews.

- The main causes of increasing complexity in the banks are identified as, loss of talented employees due to retirement and attraction towards other banks for various reasons like a high salary, benefits, career development opportunities.
- In most of the cases, half of those who had joined the bank resigned within a year. Especially in banks with a regional focus, the clerical cadre has been witnessing high

attrition. Bank unions said that the attrition rate is almost 30 per cent in both the officers and clerical cadres.

- In some States, a lower division clerk in a government office gets a better salary than a bank clerk. Compared to banks, the workload and risks in some government offices are lower.
- A lot of money is spent on training and grooming of new recruits at the officers' level. But when these officers leave the bank prematurely without even serving a minimum period and look for greener pastures, the entire cost of training goes in vain. The service bond system is a way to partially recover the sum.
- The problem of attrition can be attributed to the lack of scientific HR policy. Only half of the selected candidates are reporting for the duty.
- Expertise, knowledge and specialisation are in high demand and people are hopping jobs as the banking sector is being thrown open to niche as well as more private players are entering to the banking sector.
- The problem of attrition is very high in public sector banks. Attrition and poaching have made things difficult for Public sector banks, whose ability to hire fresh talents are constrained by structured compensation packages with limited flexibility.
- The competition has intensified and massive retirement of trained and experienced staff, issues of identifying talented team and nurturing them for critical roles have become more crucial. There are substantial skill deficits in the areas of credit, IT, risk management, international banking, treasury, and infrastructure finance.
- Unexpected job responsibilities led to job dissatisfaction, less learning and few opportunities for growth and development in the current job will make the candidate's job and career stagnant. If the supervisor does not appreciate the work, the employee feels de-motivated and loses interest in the job. Job stress can lead to a work-life imbalance which ultimately many times leads to an employee leaving the organisation.
- Most of the employees leave the organisation out of frustration and constant friction with their superiors or other team members.
- Work Environment, Job Stress, Compensation (Salary), Employee relationship with management and lack of Career Growth, have significantly influenced employee turnover in the banking sector.
- In the private sector banks, the compensation is based on the performance and in the public sector as the aged workforce is present, compensation is fixed for both performers and non- performers.

- The employees are adequately postulated in decision making and communication gaps and the employee's issues were buttonholed right away.
- The staff compensation in the public sector and private sector banks showed that the average compensation of the public sector bank employees is more than that of the private sector bank employees.
- In comparison to job security in a public sector and the private sector, the scale tilts decisively in favour of the public sector banks.

FINDINGS OF THE EMPIRICAL STUDY

On the basis of the empirical study a few important findings are made which are as follows.

- It was found in the research study that the majority (72.9%) of the respondents are male and only 27.1 percent of the sample respondents are female.
- The result of the emphirical study shows that the majority (85.9%) of the employees of Corporation Bank, a public sector bank, are more satisfied than the Karnataka Bank (80.9%) employees with the training and development department. The Corporation bank conducts training and development programmes more frequently and effectively, with the help of reputed institutions like National Institute of Bank Management (NIBM) in India and abroad.
- It was found in the study that the majority (74.5 %) of the respondents of Corporation bank and 67.1% of respondents of the Karnataka bank Ltd opined that the recreational facilities provided at their banks are excellent.
- It was observed that the majority (82.5 %) of the respondents of the Corporation Bank and 76.6% of the respondents of the Karnataka Bank Ltd have agreed that their bank provides opportunities for promotion.
- A comparative analysis between the banks showed that the majority (79.1 %) of the respondents of the Corporation Bank and 72.0% of the respondents of the Karnataka Bank Ltd have agreed that their banks conduct skill development programmes.
- In this study, it was found that majority (98.7%) of the respondents of the Karnataka Bank Ltd compared to 98.3% of the respondents of Corporation Bank said that career development opportunities are critical to stay for a long term in the bank. The majority of the employees in the service sector in India and abroad seek an opportunity for career development in their job. If the job provides a career development opportunity they will stay for a long term.

- The analysis of the retention management practices revealed that a large number (43.4%) of the respondents of the Karnataka Bank Ltd and 38.3 % of the respondents of Corporation Bank disagreed that the entry of foreign banks into India has created job opportunities. It was also thought that the foreign banks' entering India create better job opportunities for the employees working in the banks in India which in turn has increased the attrition level. But it is proved in the study that both the private and public sector bank employees opined that the entry of foreign banks into India will not increase the attrition level in both the banks.
- The percentage and frequency test revealed that the majority (57.9%) of the respondents of the Karnataka Bank Ltd and 57.1 % of the respondents of Corporation Bank said that cyber crimes have not affected the working of the banks. The increasing cybercrimes at present in various sectors have made the banks to keep an eye on all the activities of the banks to maintain and provide a safe working environment for its employees. This research study revealed that the problem of cybercrimes has not affected the working of the sample banks.
- The research reveled that the majority (54.9%) of the respondents of the Karnataka Bank Ltd and 53.9.0 % of the respondents of Corporation Bank have agreed that because of the workload in their banks they are not able to fulfil their family responsibilities. Employees of both the banks have also opined that they don't have the facility in their bank to work from home.
- A large number (38.5%) of the respondents of the Karnataka Bank Ltd and 35.9 % of the respondents of Corporation Bank have agreed that the work in their bank has impacted on their health.
- The Mann-whitney test applied to identify the health problems occurring due to the work in banks have revealed that the majority of the respondents perceived that they get the health problems like depression and gastrointestinal diseases. The mean scores for these variables are 1.96 and 1.96 respectively followed by asthama (mean is 1.94).
- The frequency test results showed that the majority (74.2%) of the respondents of the Corporation Bank and 67.8% of the respondents of the Karnataka Bank Ltd have opined that their banks recognise and reward the performance**.**
- The comparative analysis of mentoring programmes conducted to the employees measured by frequency test revealed that the majority (80.1%) of the respondents of the Karnataka Bank Ltd and 73.5 % of the respondents of the Corporation Bank were satisfied with the "Mentoring" programmes in their respective banks.

- The comparision of coaching and feedback activity conducted for the employees measured by frequency test revealed that the majority (84.9 %) of the respondents of the Corporation Bank and 71.2% of the respondents of the Karnataka Bank Ltd were satisfied with the "Coaching and Feedback" provided in their respective banks.
- The comparative analysis of public and private sector banks regarding providing recreational fecilities to the employees measured by frequency test revealed that majority (74.5%) of the respondents of the Corporation Bank and a majority (67.1%) of the respondents of the Karnataka Bank Ltd have agreed that their respective banks provided recreational activities.
- The frequency test applied to know the duration of working hours in the banks. The results revealed that the working hours in both the sample banks are long. A large number (48.7%) of the respondents of Karnataka bank Ltd and 49.1 % of the respondents of Corporation bank have agreed that the "working hours are long" in their respective banks.
- In most of the organisations in these days number of sexual harassment cases has been increasing. But the majority (82.2 %) of the respondents of Corporation bank and 78.6% of the respondents of Karnataka Bank Ltd have opined that there was no sexual harassment in their respective banks.
- Increasing attrition rates and rising demand for work-life balance are forcing organisations to look beyond traditional HR interventions. Many organisations provide creche facility to the working mothers. Though there is a maternity leave benefit for the bank employees it is essential to provide creches too. But in both the sample banks there were no child care facilities or creche facilities provided to the working mothers.
- Majority of the employees opined that they don't have a plan to quit the bank in the near future. Though the MD and CEO of the private and public sector banks claim that the attrition level is increasing, Karnataka Bank Ltd and Corporation Bank employees are satisfied with the employee retention management practices of their respective banks and they don't want to quit the bank.
- The ANOVA test applied to know the respondent's perceptions on the effectiveness of the employee retention management measures of the banks proved that there are no differences between the opinions of the respondents of both the Karnataka Bank Ltd and Corporation Bank. Respondents of both the banks perceived that the retention management practices are effective. The test result showed that a large number (41.4%) of the respondents of Corporation Bank and 39.5 % of the respondents

Karnataka Bank Ltd opined that the measures taken by their respective banks to retain the employees are effective.

- The ANOVA test applied to understand the relationship between the external environment and employee retention revealed that there is a significant and positive relationship between external environmental factors and employee retention.
- The Kruskal Wallis test applied to know the relationship between organisational factors and employee retention revealed that there is a significant relationship between organisational factors and employee retention.
- The Mann-whitney and Wilcoxon tests revealed that gender has no significant association with employee retention.
- The Kruskal Wallis test applied to understand the relationship between career development opportunities and intention to retain in the job revealed that there is a significant and positive relationship between career development opportunities and employee retention.
- The Kolmogorov-Smirnov Z value of 11.883 with p-value 0.00<0.05 revealed that there is a significant relationship between the perceptions of employees of Corporation Bank and Karnataka Bank Ltd regarding poaching of talented employees by other banks.
- Kruskal Wallis Test applied to know the relationship between individual factors and employee retention revealed that there is no significant relationship between individual factors and employee retention.

RESULTS OF HYPOTHESES TESTING: The below table depicts the results of hypotheses testing:

Hypotheses	Result	Explanations
There is a significant relationship between gender and employee retention.	**Rejected Mann-Whitney U test 0.346>0.01 NS**	The test indicates that p-value is not significant (p=0.346>0.01). This indicates that there is no significant relationship between gender and employee retention. The retention management practices have a similar impact on both men and women.
There is a significant relationship between organisational factors and employee retention.	**Accepted Kruskal Wallis p< 0.01** HS**	The test indicates that p-value found is highly significant (p=0.000<0.01). This implies that the organisational factors like recruitment, selection, salary, benefits and compensations etc provided by the bank to its employees have a significant influence on the employee retention in banks.

There is a significant and positive relationship between career development opportunities and employee retention	**Accepted Kruskal Wallis p< 0.01** HS**	The test indicates that p-value found is highly significant (p=0.000<0.01). This implies that there is a significant and positive relationship between career development opportunities in the banks and retention. Employees would like to work in the bank if there are career development opportunities in their banks
There is a significant relationship between economic environment and employee retention	**Accepted ANOVA p<0.01** HS**	The test indicates that p-value found is highly significant (p=0.00<0.01). This implies that the external environment like the policies of government, economic environment of the country etc have a significant influence on the employee retention in banks.
There is significant a difference between the perceptions of employees of Corporation bank and Karnataka Bank Ltd. regarding poaching of talented employees by other banks.	**Accepted Kolmogorov-Smimov p<0.01** HS**	The test indicates that p-value found is highly significant (p=0.00<0.01). This implies that that there is a significant differences between the perceptions of employees of Corporation Bank and Karnataka Bank Ltd. with regard to the talent poaching by other banks. The employees of CB and KBL agreed that other banks practice talent poaching.
There is a significant relationship between personal factors and employee retention.	**Rejected Kruskal Wallis 0.710>0.01 NS**	The test indicates that p-value is not significant (p=0.710>0.01). This indicates that personal factors like health and family have no significant influence on the employee retention in the banks.

Source: Survey Data

*Note: 1. 0.000 denoted as <0.00***

*2. ** denotes significant at 1% level*

SUGGESTIONS

On the basis of findings and observations, a few suggestions are made to improve and strengthen the employee retention management practices in banks.

- It is true that the employees should be paid well to retain them but the employee retention strategies cannot be effective only by hiking salaries of the employees'. So the management should understand the needs and demands of the employees to retain them.
- Employees other than the management in the banks' should be given the opportunity to work in a global platform and career progression will be the key to retaining the employees.

- Ever changing economic environment and globalisation have forced the organisations to continually update with the changing demands of the customers. The performance of the banks in India largely depends upon the service they provide to the customers. The customers will be satisfied only by the satisfied employee. It was found that the employee and the employer relationship in the Indian banks are not up to a satisfactory level. So the employer of the banks either it is a private or the public sector bank has to meet their employees on a regular basis to understand the grievances of the employees.
- The current traditional HRM practices in the banks are not sufficient enough to retain the employees in the banks. Therefore, the banks must, explore other modern HRM practices that can equally make a significant impact on retaining the employees.
- It has been found in this research that, poaching of employees is one of the major causes for attrition in the banking sector. So it is recommended that the banks should formulate appropriate laws or measures to help curb talent poaching.
- Through this research, it has been found that the stress level of the employees is also a cause for attrition. In order to reduce the stress level of the employees' the banks can introduce measures like job sharing and work from home facility on a trial basis initially with some level of employees and if it is found to be effective and if bank can get competitive advantage then it could be implemented permanently for other level employees.
- It is recommended that the banks should collaborate with universities and other academic institutions for research on problems confronting them so that the best solutions can be derived for human resource management problems. Banks can provide the needed funding for such studies.
- There are no fixed working hours stipulated by RBI for bank employees. for ex. Time for lunch break for the employee is not fixed by the RBI which causes lot of trouble for the customers as well as the bank employees. If the working hours are fixed the employes can also fulfil their family responsibilities.
- A workforce in a state of fear cannot be motivated to perform. Since financial compensation is not the main attraction, to retain the employees, there should be dignity and protection of employment. No one can function when the sword dangles over his/her head.
- Recreational facilities like organising events, games, wishing their employees on birthdays, marriage anniversaries will motivate the employees to retain and it will uphold the organisation's culture as well.

- Employee assistance programmes like counselling for officers on a range of problems including manager and non-manager relationship problems in the branches, can be provided to bank officials to help them to lead an efficient and stress-free life.
- Work and family life have always been interdependent, but due to the increase in working hours, employees in the banks are unable to balance between work and life. In order to balance between work and life the employees' bank should have formal counselling department to understand the worker's work-life balance problems and to help the workers to get the solution
- The bank should provide the facility of flexi-time to the employees, especially to the women employees to increase the women participation rate in the banking sector.
- Expert psychologist's counselling can be provided under employee development programmes to overcome problems of stress, alcohol and drug abuse or marital breakdown.
- In the public sector banks, the transfers are done for three reasons-promotions, business exigencies and as a disciplinary action. The opinions of the employees have to be considered to some extent while the transfer policy is applied.
- In both public and private sector banks, the promotion and transfer policy should be transparent and on the basis of merit but not on favouritism, in order to retain the talented employees.
- Ethical practices are the foundation stone for any organisation. Increasing number of frauds in the banking sector has shackled the beliefs of the customers on banks. Ethical practices in banking also help in the retention of employees.
- Banks can provide financial assistance for the employees for learning new skills or technology in order to attain organisational effectiveness.
- Employee development activities like coaching and mentoring and leadership development activities should be conducted frequently to boost the morale by which the employees can manage the tasks at a higher level job.
- The employer branding is one of the solutions to counter the problem of attrition resulting from the practice of talent poaching by other banks .

DIRECTION FOR FURTHER RESEARCH

It is considered that there is scope for future research in this area. Some of the possible areas of research are as follows.

1) A study on effectiveness of employee retention management practices in insurance sector.
2) A comparative study on past and present employee retention management practices in banks.
3) Employee Retention management practices in new generation banks in India.
4) Employee retention management practices - A case study
5) A study on relationship between employee retention management and employee engagement in banks.

CONCLUSION

Many of the present day's problems in Indian banks such as, weak appraisal standards, not being able to pick up the early warning signals in problem accounts which lead to fraudulent transactions and accounts becoming Non-Profit Assets, recurring customer grievances, etc. can be ascribed to skill gaps in the manpower of the banks. Near vacuum in the senior management positions over the next few years, lack of expertise in critical areas like IT, risk management, credit appraisal and treasury operations, absence of succession planning for middle and senior management positions, attracting, retaining and nurturing fresh talent, ad hoc responses to capacity building and poor performance management system are some of the major HR challenges faced by the public sector banks. The proposal of universal and differentiated bank licenses being available on tap will make it tougher for PSBs to retain whatever skilled manpower is available to them. In respect of private sector banks, the problem in many cases relates to the work culture focussing unduly on achieving unrealistic targets by all means. This implies certain aversion towards employment in such banks and could have serious reputation risk implications for them (Harun Khan 2014)[32]. On account of the loss of experienced hands in their day to day operations, there would be a virtual vacuum at the middle and senior level for some time to come. The absence of middle level management could lead to adverse impact on banks' decision making the process as this segment of officers played a critical role in translating the top management's strategy into workable action plans.

Commercial banks undertake various employee retention strategies to retain their employees but in most of the cases banks fail to get the feedback on the effectiveness of

these practices. The various types of analysis and tests conducted to identify the effectiveness or the level of employees' satisfaction towards these retention management practices revealed that most of the practices are effective. The findings of this study extended the work of previous researchers in the area of employee retention management practices in commercial banks. This investigation also revealed that the persons at the top executive level of the banks need to give more attention to the retention strategies of their respective banks. A further assessment of the topic of this study showed that there is a need for employers to focus on reducing the working hours of the employees and conducting more employee development activities.

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